

**UNITED STATES OF AMERICA**  
**BEFORE THE**  
**FEDERAL ENERGY REGULATORY COMMISSION**

California Independent System Operator )  
Corporation ) Docket No. ER06-354-000  
\_\_\_\_\_ )

**JOINT MOTION FOR EXTENSION OF TIME TO COMMENT AND**  
**FOR EXPEDITED CONSIDERATION**

Pursuant to Rule 212 of the Federal Energy Regulatory Commission’s (“Commission” or “FERC”) Rules of Practice and Procedure, 18 C.F.R. §385.212, Southern California Edison Company (“SCE”), Pacific Gas and Electric Company (“PG&E”), San Diego Gas and Electric Company (“SDG&E”), the California Public Utilities Commission (“CPUC”), and the California Independent System Operator Corporation (“CAISO”), hereinafter the “Joint Parties,” hereby move to extend the date for filing comments regarding the investigation the Commission has into the price cap in the WECC outside the CAISO and the ancillary service capacity bid cap in the CAISO in this proceeding from January 23, 2006, to February 23, 2006; the Joint Parties also move for a shortened response time to this motion so that the Commission may act on the main motion in a timely fashion. In support of these motions, the Joint Parties show as follows:

**I. STATEMENT OF ISSUE AND SHORT ANSWER**

1. Should the Commission grant an extension of time to February 23, 2006 for parties to comment on issues relating to the investigation the Commission has instituted into the price cap in the WECC outside the CAISO and the ancillary service capacity bid cap in the CAISO in light of the ongoing settlement discussions in Docket EL05-146?

Yes. Currently, parties in Docket EL05-146 are in settlement negotiations that directly relate to the issues raised in the Commission's Section 206 investigation. Under these circumstances, the parties believe that it would be premature and problematic to comment on the issues raised in the Section 206 investigation until the settlement negotiations are concluded. In particular, given the ongoing settlement discussions, it would be difficult for the parties to ascertain how they should comment on the issues being raised in the Section 206 investigation.

2. Should the Commission provide for a shortened response period to this motion to extend so that the Commission may act on the motion in a timely fashion?

In light of the abbreviated comment period (ten days) set in the Commission's January 13, 2006 Order, the Joint Parties submit that providing for a shortened response time so that the Commission may act on this motion to extend is appropriate and in the public interest.

## **II. MOTION FOR EXTENSION OF TIME AND SHORTENED RESPONSE TIME**

On January 13, 2006, the Commission issued its *Order Accepting and Modifying Tariff Filing and Instituting a Section 206 Proceeding* ("Order").<sup>1</sup> The Order accepted with modification the California Independent System Operator Corporation's ("CAISO") proposal to raise its bid cap for real-time energy bids and adjustment bids to \$400/MWh, effective January 13<sup>th</sup>.<sup>2</sup>

Furthermore, to address any possible market distortions created by the increase in the CAISO's bid cap, the Commission instituted a section 206 proceeding to "consider whether any incentives that distort a supplier's choice between offering energy or ancillary services will result from the rise in gas prices and the increase in the CAISO energy bid cap."<sup>3</sup>

While appreciative of the opportunity to comment on the issues raised by the section 206 investigation, the Joint Parties note that they are currently in settlement negotiations in Docket EL05-146 concerning issues that directly relate to the issues raised in the Commission's 206

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<sup>1</sup> *Order Accepting and Modifying Tariff Filing and Instituting a Section 206 Proceeding*, 114 FERC ¶ 61, 026, issued January 13, 2006.

<sup>2</sup> *Id.* at 14.

<sup>3</sup> *Id.* at 1.

investigation. Therefore, the Joint Parties believe that it would be premature to comment on the issues raised in the Section 206 investigation until a settlement is reached, or the parties determine that a settlement cannot be reached. It would be difficult for the Joint Parties to formulate their positions on the issues until the settlement discussion have concluded. Absent an extension of time to file comments, the Joint Parties will have no choice but to file comments based on their current understanding of where the settlement negotiations stand, subject to limitations or reservations of rights to file supplemental comments that may differ from the initial comments. Thus, providing an extension of time is in the best interests of the other parties and the Commission, as well as the Joint Parties, because it will allow the Joint Parties to carefully formulate their comments based on accurate, final information that can be relied upon.

Thus, the Joint Parties respectfully request that the Commission grant the instant motion to extend the time for filing comments herein to February 23, 2006. The Joint Parties are engaged in good faith settlement negotiations and anticipate conclusion of those negotiations by no later than that date. The Joint Parties also respectfully request that the Commission grant their request that responsive pleadings hereto be filed within two business days (i.e., by Thursday, January 19<sup>th</sup>) to permit the Commission to act timely on the motion for extension of time.

### **III. CONCLUSION**

For all of the foregoing reasons, the Joint Parties respectfully request that the Commission grant the instant motion to extend the time for filing comments herein to February 23, 2006 and set the deadline for responsive pleadings to Thursday, January 19, 2005, to permit the Commission to act timely on the motion for extension of time.

Respectfully submitted,

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Dated: January 17, 2006

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing **JOINT MOTION FOR EXTENSION OF TIME TO COMMENT AND FOR EXPEDITED CONSIDERATION** upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Rosemead, California, this 17<sup>th</sup> day of January, 2006.

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